

Chapter 4 - Food Delivery System and Warrant Accountability and Control

TABLE OF CONTENTS

FOOD DELIVERY SYSTEM	1
Retail Purchase System	1
Mailed Food Delivery System	1
WARRANT ACCOUNTABILITY AND CONTROL	2
Warrant Issuance and Redemption	2
Warrant Issuance Procedures.....	3
Issuance Intervals and Valid Dates.....	3
Verification of Receipt of Warrants.....	3
Pick Up at Clinic.....	3
Mailed Warrants.....	3
Mailed Food Boxes.....	3
Late Warrant Pick-Up.....	3
Alternates.....	4
Participant ID for Warrant Redemption.....	4
Participant Training in Warrant Redemption.....	4
Warrants Mailed to Participants.....	4
Monitoring of Warrants	5
Reconciliation and Monitoring Overview.....	5
Voided Warrants.....	5
Lost or Stolen Warrants.....	5
Undelivered Mailed Food Boxes	7
Warrant Issuance In Cases of Natural Disaster or Emergencies	7
LOST OR STOLEN WIC WARRANT REPORT	8
TRANSMITTAL OF WIC WARRANT STOCK	9
SAMPLE WIC WARRANT	10
INVENTORY OF WARRANT STOCK	11

FOOD DELIVERY SYSTEM

The food delivery system used by the WIC Program provides supplemental foods free of charge to participants. These foods are provided by retail WIC-authorized vendors and mailed food delivery vendors.

Retail Food Purchasing System

Retail Purchase System

Most participants in the Alaska WIC Program receive WIC foods through a uniform retail purchase system. Under this system, participants obtain supplemental foods by submitting WIC warrants to an authorized vendor.

Local agencies issue automated warrants at the point of certification. Local agencies are not permitted to issue manual warrants. All warrants must be produced by the automated computer system.

Participants receive the supplemental foods listed on their warrants in one of two ways:

- The participant or alternate picks up and signs for warrants at a local agency clinic and presents them at a retail vendor which has a current agreement with the Alaska WIC Program.
- The participant receives warrants in the mail from a local agency and presents them at a retail vendor which has a current agreement with the Alaska WIC Program. The participant signs a confirmation of receipt of the WIC warrants and returns it to the local agency address. Preposted envelopes are provided by the local agency along with the warrants.

Mailed Food Delivery System

This system is used only for isolated or remote rural locations. Local agencies must only use the mail food delivery system when:

- The area does not have a vendor who is able to meet the requirements of the Vendor Agreement, or
- A WIC-contracted vendor in the area has a record of problems such as high incidence of errors or overcharges or inadequate stocking of WIC foods, and does not respond to warnings, or sanctions; or
- There are no vendors available in the area to serve WIC clients; or
- The vendor(s) in the area are not required to stock infant formula because of a very low number of WIC formula-fed infants in the community. In these cases, the local agency orders infant formula packages from the Mailout Vendor, but issues warrants to all other participants living in the community to purchase their WIC foods on-site from the local vendor.

The Alaska WIC Program, through a competitive bid process, selects a vendor or vendors to provide the mailed food delivery service. The local clinic places a food order with the vendor(s) through a statewide computer system. The food is sent directly to each WIC participant. The participant or

Mailed Food Delivery System

parent/guardian returns the signed packing slip to their clinic to acknowledge receipt. Preposted return envelopes are provided with the food box.

WARRANT ACCOUNTABILITY AND CONTROL

The state office in Juneau maintains an inventory by control number of the blank warrant stock kept at the state office. The local agencies are issued warrant stock sequentially by the control number. Local agencies contact the state office to place orders for warrant stock.

Warrant Stock for Local Agencies

Warrants are sent to local agencies by certified mail accompanied by a transmittal document, which identifies the warrants. An example of the form is included at the end of this chapter. Another copy of the transmittal document is mailed separately to the local agency. A copy is retained by the state office. Local agency staff must inspect the warrants and verify that all warrants listed have been received. Any discrepancies must be noted on the warrant transmittal documents. The transmittal document must be signed and returned immediately to the state agency.

Stocks of unused warrants must be stored in a secure place which is locked at all times. Access to warrants is limited to those employees authorized to use them. Warrants missing from clinic stock must be immediately reported to the state agency.

Inventory of warrant stock is done by the state office quarterly. Warrant stocks issued to local agencies are documented on a warrant log by control number. The control numbers are also inputted in the WIC computer system by the state agency. The local agency inventories blank warrant stock by control number on a quarterly basis to reconcile the inventory log with the actual supply on-hand. For agencies with more than one staff, one staff is responsible for maintaining the log and another staff conducts the physical inventory. A sample inventory log is at the end of the chapter.

Lost or Stolen Warrants

Warrants reported lost or stolen by participants are reported to the local agency. The local agency documents lost/stolen warrants in the WIC computer system and the Lost or Stolen WIC Warrant Report form, included at the end of this chapter. The report includes the serial numbers, date lost or stolen (if known), the circumstances surrounding the incident, and the recovery action taken. If theft is suspected, police authorities must be notified immediately and a list of the missing warrant numbers must be distributed to the WIC vendors in the area. Vendors must be told not to honor these warrants, and to report any instances of attempts being made to exchange the warrants to the local agency.

Warrant Issuance and Redemption

**Warrant
Issuance
Intervals**

Warrant Issuance Procedures

Warrants are issued by local agency coordinators, nutritionists, and authorized clerical staff.

Issuance Intervals and Valid Dates

Clinics may issue a participant their warrants at one, two or three month intervals. Each warrant is valid for 30 days.

**Signing
for
Warrants**

Verification of Receipt of Warrants

Participants must sign a confirmation of receipt of WIC warrants when they receive them. Participants who receive mailed food boxes must sign the enclosed packing slip, which also serves as a receipt, and mail it to their local clinic. Signed receipts must be kept in participant files for two years after the issue date.

**Picking
Up
Warrants**

Pick Up at Clinic

Participants or alternates who pick up warrants at a clinic must sign a warrant receipt, which is printed with the warrants by the computer system, verifying that they received the warrants. Signed receipts are kept in the participant's file for two years after the warrant issue dates.

**Mailed
Warrants**

Mailed Warrants

Participants who receive warrants by mail are asked to sign the receipt which has been mailed with the warrants, and return it to the local agency in the stamped window envelope which was enclosed with the mailed warrants. Signed receipts are kept in the participant's file for two years after the warrant issue dates.

**Mailed
Food
Boxes**

Mailed Food Boxes

The packing list, sent in mailed food boxes, serves as the receipt. The packing list should be signed and mailed to the local agency. Stamped window envelopes which will show the local agency address on the packing lists are included with mailed food boxes for this purpose. Signed receipts are kept in the participant's file for two years after the warrant issue dates.

**Late
Warrant
Pick Up**

Late Warrant Pick-Up

Warrants are issued at the time of pickup and the warrant valid date is effective from the calendar date of issue until the same calendar day of the next month (e.g., June 15 through July 15). The exception is for warrants issued in late January when there would be no corresponding calendar day in February. In this case the computer system will put a late February end date on those warrants.

Local agencies must not issue "partial month" warrants. If a client misses an appointment and is late in picking up warrants, the issue date should be the

date the warrants are actually picked up. This may result in the ending date of a set of warrants extending beyond the end date of the current certification period. This is permissible, as federal regulations allow a certification period to be extended for a period not to exceed 30 days in cases where there is difficulty in appointment scheduling.

**Warrant
Pick Up
by
Alternates**

Alternates

At the time of certification, a participant may designate one alternate who is authorized to pick up and redeem warrants for the participant. The designated alternate must be of legal age. However there are circumstances that would warrant an underage alternate be designated. This should be handled on a case by case basis and documented in the participant record as to the circumstances that necessitate the designation. The name of the alternate must be recorded in the participant's file and the alternate's name is printed on the warrant along with the name of the participant. If the participant is a child, the name of the child's parent or guardian will be printed on the warrant.

**Participant
Identification**

Participant ID for Warrant Redemption

The name of the participant and the alternate, if one has been authorized by the local agency, is printed on the warrant. If the participant is a child, the name of the mother, or other caregiver, authorized to pick up and redeem the warrant is printed on the warrant. Vendors must ask the participant or alternate for a picture/signature identification before accepting the warrant, unless the participant is personally known by the cashier. Examples of participant or alternate identification are driver's license, school ID, or vendor approved identification for cashing checks.

The Alaska WIC Program does not issue or require WIC Identification Cards.

**Participant
Training in
Use of
Warrants**

Participant Training in Warrant Redemption

Local agencies are required to provide each new WIC participant with training in:

- Names and locations of WIC vendors in their area
- Selecting WIC foods
- Warrant usage, including signing warrants
- Responsibilities of alternate
- Reporting problems to their local agency

The local agency is required to provide participants with a list of WIC foods and of participating vendors in their geographical area.

**Mailing
Warrants to
Participants**

Warrants Mailed to Participants

Local clinics have the option of mailing warrants to participants if persons in need of program benefits in rural areas will not be able to participate in the program unless WIC warrants are mailed to them.

Mailing WIC warrants for reasons such as illness, imminent childbirth, inclement weather conditions, distance to travel, high cost of travel, or inability to get to the local agency during clinic hours is permitted. Nutrition education must be provided through literature or through telephone or on-site contacts.

Monitoring of Warrants

Reconciliation and Monitoring Overview

The warrant monitoring system assures 100 percent disposition of all issued warrants as issued or voided, and as either redeemed or unredeemed. Redeemed food instruments are identified as validly issued, lost, stolen, expired, duplicate, or not matching valid enrollment and issuance. Data is collected and compiled by the state agency. Paid warrant data files are downloaded from the Alaska State Treasury to the state agency. These files are reconciled on a monthly basis. Discrepancies between issuances and redemptions are investigated and resolved by the state agency.

Each month, a physical inspection of warrants is performed to inspect for improper WIC warrant redemption, which may include:

- Incorrect/altered signature of WIC participant or alternate;
- missing /illegible stamp of the Vendor number;
- incorrect change of dollar amount on the warrant; and
- purchase price is missing or exceeds the maximum amount of the warrant.

A computer report of warrants redeemed outside valid dates is generated each month. Monetary claims are assessed on vendors accepting warrants outside of valid dates.

Voided Warrants

The state agency requires local agencies to shred voided warrants. Warrants may be voided for the following reasons:

- Brought back to the local agency by the participant for exchange (for example, a mother who is no longer breastfeeding, and needs warrants for formula).
- Mistake made during warrant issuance.
- Warrants were preprinted for a participant, and the participant missed the warrant pick-up appointment.
- Warrant(s) reported lost or stolen.

Lost or Stolen Warrants

If a participant reports that warrants originally issued were lost or stolen, the local agency may provide the participant with replacement warrants no more than two times in a one year period. Replacement warrants are issued after a

Warrant Monitoring

Voiding Warrants

Replacing Lost or Stolen Warrants

three day waiting period. This includes both warrants picked up by participants and warrants sent in the mail.

It is the responsibility of the local agency to determine if a participant's request for replacement warrants is valid, on a case-by-case basis. Replacement of warrants is not justified if the participant makes intentionally false or misleading statements, or intentionally misrepresents, conceals, or withholds facts. The guiding principle for making the decision as to whether or not to replace the warrants is whether the woman or child needs to receive the foods which have been prescribed for them. If it is felt that they will not receive the foods unless warrants are replaced, then they should be replaced. Limiting the number of times warrants can be replaced provides a check on repeated violations or careless handling of warrants by participants.

**Lost or
Stolen
Warrant
Reports**

The local agency must complete the Lost or Stolen Warrant Report, included at the end of this chapter, and have it signed by the participant or participant's parent or guardian. The local agency must give a copy to the participant, parent or guardian, and put the original copy in the participant's file. The participant, parent or guardian must be told that intentionally cashing WIC warrants that have been replaced with new warrants is fraud, and can result in removal from the WIC Program.

**No
Retroactive
Warrants**

The replacement of unused warrants cannot result in the allocation of retroactive food benefits. The quantity of replacement foods must be based on that portion of foods for which the participant would still be eligible, beginning with the new issue date of the replacement warrant(s).

For example: A participant is issued three sets of warrants covering a three month period. One set is for June 10 through July 10, one set for July 11 through August 11, and one set is for August 12 through September 12. September 12 is the last day of her certification period.

The participant redeems the first set of warrants, then calls the clinic on July 15 to report that she has lost the remaining two sets of warrants. She says she has looked everywhere for the warrants, and is very concerned because she feels she really needs the supplemental foods. She has never before reported that she had lost warrants. The clinic staff decides her request is valid, and asks her to stop by the clinic to sign a form and pick up new warrants. After a three day waiting period, she comes to the clinic on July 18. The remaining two sets of warrants are voided in the computer by the clinic staff, and they fill out a Lost or Stolen Warrant Report and have it signed by the participant. The participant is then issued two new sets of warrants to replace those she lost. The new warrant valid dates are July 18 through August 18 and August 19 through September 19. The second set of warrants is valid for seven days after the end of her current certification period. Federal regulations permit extending certification by a period not to exceed 30 days, but such extensions

should not be routine. If the participant in this example is eligible for recertification, her new certification period would begin on September 20.

Undelivered Food Boxes

Undelivered Mailed Food Boxes

If a participant reports that a mailed food box was not delivered, it will be too late for a replacement food box to be mailed for that same month. Generally, the report that a food box has failed to arrive will not be received by a local agency before the next food boxes are ordered for the following month.

The local agency should verify that the correct, current address has been transmitted to the Mail Order Vendor, and that this address will be used for mailing future food boxes. Local agencies can verify with the Mailout Vendor that the missing box was mailed.

Unfortunately the missing food box cannot be replaced, as it would result in the participant receiving two food boxes in one month.

Disaster Plan

Warrant Issuance in Cases of Natural Disaster or Emergencies

During a natural disaster or emergency, the state agency will be responsible for coordinating the needs of the disaster area.

Local agencies shall assess the vendor/s' capability to be operational during the emergency or disaster situation. Local agencies shall update the state office on the status of their vendors. If the vendor/s are closed or the participants have no access to the vendor/s to redeem their warrants, the local agency shall refer participants to alternative emergency food sources and the state agency will extend the "last date to use" date on the warrant.

Lost and Stolen WIC Warrant Report

Name	Issued Warrants	Reissued Warrants

Agency Comments:

I understand that use of warrants which are reported lost or stolen is fraud and that the use of such warrants can result in my removal from the WIC Program and require payment of the value of improperly obtained food benefits. If the warrants reported lost are found, I will return them to the local WIC Office.

If you feel you have been treated unfairly, you may ask for a Fair Hearing. WIC staff will tell you about the Fair Hearings and help you get one. You must ask for the Fair Hearing within 60 days of the date on this form. The State WIC Director, 130 Seward St., Juneau, AK 99801, telephone (907) 465-3100, will also help you apply for a Fair Hearing. At a Fair Hearing you, a friend or a relative can help give your side of the story.

The WIC Program is available to all without regard to race, color, national origin, sex, age or disability. To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, room 326-W, Whitten Building, 14th and Independence Avenue, SE, Washington DC 20250-9410.

Participant Signature:_____ Date:_____

State of Alaska
Department of Health Social Services
Division of Public Health
Section of Maternal, Child and Family Health - WIC Program

WIC 425

Transmittal of WIC Warrant Stock

TO:

Date

Enclosed are the following:

Quantity	Description	From	To
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By

Title

Receiving Report

Date Received

The items listed below have been received in complete and good condition except as noted:

Received By

Title

Sign and return original to: State WIC Office., 130 Seward St., Juneau, AK 99801

Sample WIC Warrant

A sample WIC warrant utilized by the state of Alaska is shown below. The warrant identifies the food package, warrant type, and the local agency and clinic that issued the warrant. The warrant also specifies the participant and the alternate's name or caregiver's name, if applicable, the first and last date of use of the warrant and date the vendor must deposit the warrant.

5010 1:2130710006:0613020304:0502

STATE OF ALASKA
TREASURY WARRANT
WIC PROGRAM

Warrant No. 85676943

WIC Participant must use this warrant
between 06/13/2002 and 07/12/2002

Signature _____

Guardian Or Alternate for Client _____

1 1/2 doz...EGGS, small, medium or large
2.....JUICE, 46 oz, 11.5 oz conc., or 11.5-12 oz frozen
2 gal.....MILK, fresh

VOID

Actual Amount of Sale
\$ _____
Not to Exceed \$150

Vendor Stamp
Vendor must deposit by 09/13/2002
or Warrant will be deemed paid

85676943 125200523 0000000917

Inventory of Warrant Stock

Local Agency _____

Box #	Starting Control #	Ending Control #	Date Received	Inventory	
				Date	Name